

**REQUIRED CHANGE - SOUTH CAROLINA**  
**4098 05/15**

**Definitions**

The following definition is changed to read:

**Actual cash value** means the amount it would cost to repair or replace insured property with new materials available today of like kind and quality, less adjustment for physical deterioration and depreciation, including obsolescence. Our adjustment for physical deterioration, depreciation and obsolescence applies to all costs including the cost of labor and material. Neither **actual cash value** nor the cost to repair or replace will include amounts for contractor's fees or charges for overhead and profit except to the extent that such fees and charges are reasonable, incurred and actually paid.

**SECTION I - Your Property Coverages**

The following is added:

**Your Additional Benefits**

We may work with merchants to provide the best possible value for services and replacement of your property. If we are able to negotiate discounts or other benefits with merchants, we will extend those discounts or other benefits to you. You may contact the merchants directly. When you do, you may be afforded additional discounts and services. You are under no obligation to purchase any property or services from these merchants, nor are we obligated to provide these benefits.

**Policy Conditions**

8. **Legal Action Against Us** is changed to read:

8. **Legal Action Against Us.** You may not bring legal action against us concerning this policy unless you have fully complied with all of the policy terms. If you and we have failed to agree on the amount of the loss, then you may not bring legal action against us until you have submitted and resolved that dispute through appraisal as described in Condition 5. Suit must be brought within three years after the loss occurs.

19. **Cancellation** is changed to read:

19. **Cancellation.** You may cancel this policy by giving us advance written or verbal notice of the future date cancellation is to take effect. If a lienholder is named on the Declarations Page, we will provide acknowledgment to the lienholder regarding cancellation of the lienholder's interest in this policy by any legal means available.

We may cancel this policy for any reason during the first 120 days we insure you and if this is not a renewal policy. We will mail a cancellation notice to you at least 30 days (10 days if you have not paid the premium) before this policy is cancelled. We will mail a cancellation notice to your last address known to us or your insurance representative. We will also give notice to your lienholder.

After the first 120 days or if this is a renewal we may cancel it for:

- a. nonpayment of premium;
- b. material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;
- c. substantial change in the risk assumed, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the policy;

Your lienholder may cancel this policy if your dwelling has been foreclosed or your lienholder has otherwise acquired ownership of it. Your lienholder may then cancel this policy on behalf of all parties who have an interest insured by this policy and upon surrender of this policy.

If there is any refund of premium due you, we will mail it to you with your cancellation notice or as soon as possible after we mail the notice. Return premium will be calculated pro rata. If you cancel, return premium will be subject to any Minimum Earned Premium shown on the Declarations Page of this policy. Pro rata cancellation means that we keep premium only for the period of time you were insured. If your premium is financed, that financing interest will be recognized in any refund due.

20. **Lifetime Continuation Agreement** is changed to read:

20. **Lifetime Continuation Agreement.** We agree to offer to renew your policy unless we mail to you written notice of our intention not to renew this policy. If you do not pay the renewal premium as we require, we will assume that you have declined our offer. We may nonrenew your policy only if:

You or your representative:

- a. Conceal, omit or misrepresent any material facts or circumstances; or
- b. Make a false or fraudulent claim; or
- c. Fail or refuse to eliminate known conditions that increase the potential for loss after notification by us that the condition must be removed; or
- d. Have knowledge of any change that substantially increases the risk assumed by us; or
- e. Have not paid the premium.

If we do not renew, we will mail a notice of nonrenewal to you as follows:

A policy written for a term of one year or less may be nonrenewed by us at its expiration date by mailing written notice of nonrenewal to you and your insurance representative, if any, not less than sixty days prior to the expiration date of the policy for any nonrenewal that would be effective between November first and May thirty-first and not less than ninety days for any nonrenewal that would be effective between June first and October thirty-first.

22. **Notice of Cancellation or Nonrenewal** is changed to read:

22. **Notice of Cancellation or Nonrenewal.** We will address the cancellation or nonrenewal notice to your address shown in the policy. Under the authority of federal law, the United States Postal Service and its authorized agents or vendors may forward the

cancellation or nonrenewal notice to an updated address per any change of address that you have presented to or filed with the United States Postal Service. In addition, we may update our policy records to reflect this updated address and/or address future notices to this address. If notice is mailed, proof of mailing will be sufficient proof of notice.